

March 23, 2010

EX PARTE

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: *Application of Verizon Communications Inc. and Frontier Communications Corporation for Consent to Transfer Control of Domestic Section 214 Authority, WC Docket No. 09-95*

Dear Ms. Dortch:

On March 22, 2010, Karen Zacharia, Katharine Saunders, Donna Epps, and Teresa Benvenuti of Verizon; John Nakahata of Wiltshire & Grannis, on behalf of Frontier Communications Corporation (“Frontier”) (together with Verizon, “Applicants”); and Kim Czak of Frontier met with Sharon Gillett, Don Stockdale, Nicholas Alexander, Alexis Johns, Carol Simpson, Matt Warner and Bill Dever of the Wireline Competition Bureau; Steve Rosenberg of the Office of Strategic Planning and Policy Analysis; and Virginia Metallo of the Office of General Counsel-Transaction Team to discuss the operating support systems (“OSS”) issues raised by EarthLink, Inc. and its subsidiary, New Edge Network, Inc. (collectively “EarthLink”) in their March 11, 2010 ex parte.

As Applicants had previously explained in prior meetings as well as in their Reply Comments, in preparation for the transaction, Verizon is realigning its OSS serving the existing former GTE territories. This realignment moves functions that were located in Ft. Wayne, Indiana, and were used to serve territories that Verizon is retaining to other data centers, while consolidating in Ft. Wayne all OSS needed to serve the territories that Frontier will ultimately acquire, other than West Virginia (collectively the “13-states”). Applicants have previously referred to this as replicating the OSS for the 13-states; to be clear, the result from the realignment and replication (as has been previously described) is that there will be one Verizon data center in Ft. Wayne serving the 13-states, and other data centers serving the remainder of the Verizon territories.

Verizon explained that as part of its internal realignment, Verizon is planning to “stand up” its Ft. Wayne data center as a fully independent data center on March 27-28, 2010, operating the replicated customer-facing systems for customers in 13 states that will transfer to Frontier at close. Ultimately, the Ft. Wayne center will serve the North Central region, which will constitute a large portion of the properties that Frontier is expected to acquire. The process of “standing up” the Ft. Wayne data systems over this weekend does not include *any* systems integration with Frontier.

Verizon also explained that it provides a non-regulated wholesale service, Broadband Traffic Aggregation Service (“BTAS”), to EarthLink pursuant to a commercial contract. Under the terms of that contract, Verizon may make certain systems changes 90 days after giving notice to EarthLink. On December 11, 2009, Verizon notified EarthLink and other similarly situated Internet Service Providers (“ISPs”) that it was planning to modify its wholesale broadband ordering systems in connection with the stand-up of the Ft. Wayne data center. In particular, Verizon explained that beginning March 26 it intended to implement two different URLs based on geographic location for use in placing pre-qualification loop requests, orders, and trouble tickets, instead of the single, national URL then in use. EarthLink and other ISPs that use the Application Programming Interface (“API”) for orders, trouble tickets, or pre-qualification requests for Verizon lines in the North Central region would have to use a new URL following this date. The interface itself will be the same, however, and the systems that the interface connects with likewise will be duplicates of the existing systems. Alternatively, EarthLink and other ISPs could use a Graphical User Interface (“GUI”) for these transactions. Requests relating to orders in the other Verizon territories can continue to be made using the existing national URL or GUI. The modifications – and necessary adjustment to EarthLink’s interface as a result – would be effective March 26, 2010. Following March 26, 2010, orders sent to the wrong URL will trigger a message back to EarthLink explaining that the orders need to be directed to the correct URL.

Verizon and EarthLink personnel discussed Verizon’s planned realignment on multiple occasions following the December 11 notification. In these conversations, Verizon explained that it was willing to work cooperatively with EarthLink during the process and responded to EarthLink’s questions. Verizon provided EarthLink personnel with follow-up details regarding technical aspects pertaining to the use of the new URLs in response to specific questions.

On February 2, 2010, EarthLink’s Vice President-External Affairs Penny Bewick “advised the EarthLink team to stop work”¹ on the modifications to EarthLink’s systems to allow use of the new URL. Ms. Bewick claimed that Verizon’s noticed modification – limited solely to Verizon internal systems – “smacks a bit of a premature transfer of ownership,” stating that “the EarthLink team will wait to see how the FCC rules in this case before proceeding further on systems changes.”²

Despite Ms. Bewick’s unilateral decision to halt work by EarthLink, Verizon received an email from EarthLink’s Senior Broadband Vendor Manager on February 3 stating that EarthLink was at that point “on track for a 3/26 release.”³ Verizon reiterated its offer to work with EarthLink in preparation for Verizon’s internal realignment. Following Ms. Bewick’s order to stop work on the project, EarthLink stated it needed until early May to redirect orders to the correct URL for the 13-state area ultimately to be acquired by Frontier. In follow-up meetings, communications, and calls in February and March 2010, Verizon offered EarthLink several

¹ Email from P. Bewick to R. Overby et al, Feb. 2, 2010, attached at Ex. 1. This email is part of a longer email chain. For simplicity we are only attaching the language of the email that we quote.

² *Id.*

³ Email from C. Hight to M. Torrez, Feb. 3, 2010, attached at Ex. 2.

different possible options for processing orders, trouble tickets, and pre-qualification requests following Verizon's planned realignment. For example, Verizon explained that EarthLink could use Verizon's existing web GUI to place its orders, trouble tickets, and pre-qualifications between the date of realignment and early May, or even continuing forward. Verizon also offered to implement a manual work-around for EarthLink during the time it took EarthLink to revise its code to link to the correct URL, in which Verizon would input the orders for EarthLink manually. In addition, Earthlink is submitting test orders and Verizon has additionally assisted EarthLink with test orders and trouble-shooting the revisions to EarthLink's code to link to the appropriate URL.

EarthLink initially rejected both the GUI and the manual work-around options, claiming they would disrupt their order systems. In terms of volumes, EarthLink sends Verizon a small number of orders and trouble tickets, and a significantly larger number of loop qualification requests, each day in the North Central area. EarthLink personnel have now agreed that EarthLink can process trouble tickets using the GUI during any delay it might take to update their systems to send information via the new URL. In light of the relatively small number of orders per day that EarthLink sends Verizon, Verizon believes that either of the two options (GUI or manual workaround) could be used for ordering too. Verizon continues to work cooperatively with EarthLink to resolve these issues.

With respect to systems changes for West Virginia, including the implementation of the Synchronoss gateway, notice will be provided to affected customers. However, Frontier notes that one reason this gateway was selected is that it is commonly used by other carriers, which should minimize any operational issues. Additionally, in connection with its settlement with CLECs in West Virginia, Frontier WV will provide the tools and opportunity for the CLECs to complete testing of the wholesale OSS and Synchronoss Front End system that will be utilized by Frontier WV after Closing, including establishment of a pre-closing testing environment.

In its ex parte dated March 22, 2010, PAETEC vaguely asserts that it has "the same concerns about the proposed changes as Earthlink/New Edge had expressed at pages 1-4" of their ex parte, without further information. It is unclear to what PAETEC refers, and they provide no specifics. In any event, PAETEC was a party and assented to the CLEC settlement with Frontier and Verizon before the Oregon Commission, which specifically included conditions relating to the 13-state OSS system. As to West Virginia, PAETEC acknowledges that it has a very limited presence in the state and is not pursuing a business relationship with Frontier in West Virginia.

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A copy of this letter is being filed in the above referenced docket for inclusion in the public record, pursuant to the Commission's rules.

Respectfully submitted,

/s/ Michael E. Glover

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From: Bewick, Penny
Sent: Tuesday, February 02, 2010 4:17 PM
To: 'russell.overby@verizon.com'; 'margaret.torrez@verizon.com'; 'teresa.benvenuti@verizon.com'; 'frank.montalbano@verizon.com'; 'ralph.j.silvestri@verizon.com'; Powell, Jonathan P (Jon); Wood, John B
Cc: Manzano, Stacey; Michael Vorp; 'Janet Russell'; 'c@corp.earthlink.net'; Scott, Robert
Subject: FW: National ISP Gateway Kit
Importance: High

Folks:

It has come to my attention that Verizon has begun to implement a systems transition related to the pending transfer of property petition now pending before the FCC. As you know, the Frontier/Verizon petition, to transfer significant property, was filed last year and continues to be under review at the FCC. As a matter of fact, the FCC has recently requested additional detail and support for such a transfer. It is highly likely that an order for approval is many weeks off. In addition, any order that is issued is very likely to include conditions, some of which are surely to impact the systems at issue here.

The project that Verizon had undertaken to modify systems is requiring EarthLink to dedicate resources to making changes that are entirely premature. While I respect the enthusiasm displayed by Verizon to "get ahead" of the potential need to transition to new or changed systems to accommodate the transfer to Frontier, I believe that you may be getting out in front of your headlights.

You have advised our team that implementation must be completed by March 21st for EarthLink to continue to place Verizon orders, and for Frontier orders by March 26th. That is not only unreasonable, but smacks a bit of a premature transfer of ownership. It is very possible, and very likely, that the petition before the FCC will not even be acted upon by these dates. In the unlikely event that an order is issued prior to these dates, it definitely is unknown what conditions may be applied to the transfer that would impact the very systems that you are asking us to redesign. The transition that you have been advocating, and advising the EarthLink team on, should be implemented on the backend of the FCC approval process. Verizon and Frontier should not be moving for implementation of new systems on the "**hope**" that an order will come out in a predetermined timeframe. This all needs to be implemented and built into "**post**" approval.

As a result, I have advised the EarthLink team to stop work on this until we have clarity on the direction the FCC will take. If, and when, an order is issued, this project should be teed up once more and with a reasonable schedule developed for the transition. The project and schedule would then accommodate any required conditions that the FCC may order. To do anything less would be irresponsible and

potentially harmful to our customers.

I am happy to discuss this with the responsible players at Verizon if you see the need. In the meantime, the EarthLink team will wait to see how the FCC rules in this case before proceeding further on systems changes. I trust this will not affect the ability of EarthLink to place orders via the Verizon systems that are in place today until such time as an FCC approved transfer of property is effective.

Thank you for your attention to this matter.

Penny H. Bewick

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From: Christopher Hight [mailto:c@corp.earthlink.net]
Sent: Wednesday, February 03, 2010 9:10 AM
To: Torrez, Margaret R (MARGARET)
Subject: FW: ISP Gateway Kit

Margaret,

Here is the thread that began with the delivery of spec v1.34 in October. The most recent, and I believe final, clarification from Dev occurred on 1/25. We are on track for a 3/26 release.

Thanks.
Chris

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